



Illinois Alliance for Health Innovation Model Test Project Abstract

Goals of the proposal: Illinois' Innovation Model Test proposal comprises five categories of innovation: 1) creation of comprehensive integrated delivery systems along with payment reforms to support them; 2) additional support and services for people with specific needs; 3) integration of public health and the health care system to focus on environmental and social factors that negatively affect the population; 4) development of an adequate health work force for the innovations; and 5) promote continuous quality improvement in the public health and health care systems.

Illinois will select up to six (6) integrated delivery systems to serve as Model Test pilot sites to test the innovations. The integrated delivery systems will include a critical network of providers to deliver primary care, specialists, hospitals, long-term care and behavioral health services. Integrated delivery systems will begin the first year of the Model Test under a shared-savings payment structure and move to a fully risk-based, performance-based payment structure by the end of the second Model Test year.

Illinois will establish an Innovation and Transformation Resource Center (ITRC) to collect and analyze data, identify best practices and provide technical assistance and administrative support to integrated delivery systems, health plans and the State. Through the Innovation Model governance process and work group structure, Illinois will engage commercial health plans, the State group health insurance program and self-insured employers to contract with integrated delivery systems.

Illinois has set a goal that more than 50% of the population, will be served in an integrated delivery system operating with value-based payments by the conclusion of the Model Test in 2018.

Total budget: \$99,750,384

Number of beneficiaries, providers & payer participants: Illinois projects that during the first Model Test Year, 1.6 million residents will be covered by the Model Test, increasing to at least 6.5 million by the end of 2018. Medicaid and the state group health insurance program will participate during the first Test Year and a plan has been developed to add commercial health plans and Medicare over 3 years.

Projected total cost of care savings: \$772 million



Governor's Office of Health Innovation and Transformation

Description of how funds will be used: Illinois will provide funding for up to six (6) pilot site integrated delivery systems to test the innovations. The funds will support the development of technology infrastructure, workflow redesign, transition to a value-based payment structure and integration with the public health system. The Governor's Office of Health Innovation and Transformation (GOHIT) will lead the implementation of the Model Test activities and support Illinois' extensive stakeholder engagement structure and process already in place and ensure open and transparent operations of the Model Test.

Funds will be used to complete the Illinois Plan for Improving Population Health, aligned with the activities of the Model Test and objectives of the Innovation Model, and designed to improve population health and reduce disparities. Funds also will be used to establish and operate the ITRC, which will work under the direction of GOHIT and in close collaboration with the independent program evaluator for the Model Test that will allow for rapid cycle evaluation and continuous quality improvement.

Illinois will also fund the development of advanced health information technology capacity and connectivity for the broad network of providers critical to the success of integrated delivery systems in achieving the Triple aim. These funds will be targeted to Medicaid and Medicare providers, particularly those in behavioral health, long term care, home and community-based services, public health systems and rural communities.